

THE NEW WAVE: TECHNOLOGY-ENABLED MARKETING

Professor Philip Kotler, author of "Standing Room Only," the leading book on arts marketing

There's a growing marketing resistance among cultural consumers, the "persuadables." Don't despair! Culture is a worthwhile cause that separates us from the monkeys. We need to market culture itself (the joys of cultural experiences) and we need technology to help us do it.

The for-profit sector is achieving results using high-tech marketing; arts organizations can move in the same direction. Precision marketing is the key, providing far better than the 1% return of standard direct mail marketing.

We must move in this direction because the audience for nonprofit culture is declining as the boomer generation ages, ticket prices increase and competition intensifies.

HOW TO MARKET CULTURE?

It's of utmost importance to get art and music classes back into the schools, and get kids to museums and arts performances to whet their appetites. We must advocate for more government funding to support arts education, and tax benefits to artists and arts organizations. (good books to look at, in addition to Kotler's "Standing Room Only," include one from the United Kingdom, "Creative Arts Marketing.")

For their part, cultural organizations need to provide more internships, more competitions to attract and publicize artists, more stars like Leonard Bernstein.

The 3 best arguments for art (and note that the economic argument is last):

1. It nourishes us all
2. It produces unique experiences
3. It is an economic engine

Hi-tech marketing requires IT (information technology) and analytical skills to mine the data. New competency skills required for today's arts marketer include

1. brand asset management
2. customer relationship management (CRM) using software that allows you to examine data over time, see new things happening, do audience segmentation
3. partner relationship management (PRM)
4. call center and telemarketing management
5. Web and Internet marketing
6. public relations marketing
7. customer service and experiential marketing (Read "The Experience Economy")
8. Integrated marketing and communications (IMC)
9. Profitability analysis by customer segment, product, media and distribution channels.

DATABASE MARKETING

They need to have the ability to gather useful data on your customers, with you defining what information you need. You can classify customers by their needs and by their value to you. You can prepare rules that select the best prospects for up-selling or specific pitches using "predictive analytics." It's less expensive and produces better results. Customize your marketing offering, message and medium for each prospect or cluster of prospects.

This can be automated, with software selecting names for direct mail, media, message, special offers, etc. This is more efficient, cost effective and results in better decisions. Create an accountability matrix to measure and judge the effectiveness of both your customer outreach and market analysis.

Is new technology enough? No. New technology in an old organization that hasn't updated its thinking can be expensive and produce disappointing results.